2007-05271/

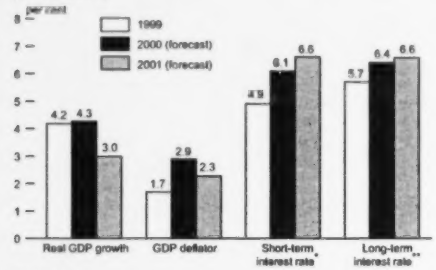
Government of Canada Securities

A Publication of the Department of Finance Canada

July 2000

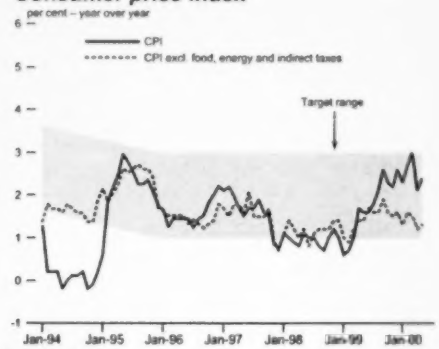
Canadian Economy

OECD economic forecast for Canada
(June 2000)



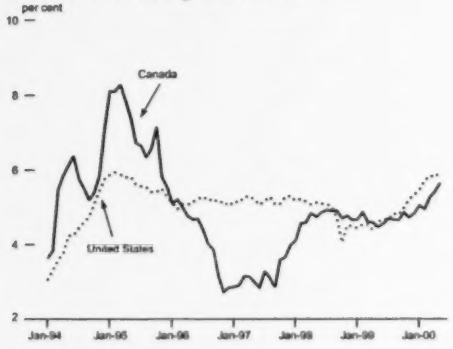
*90-day finance company paper.
**Over 10-year federal government bonds.
Source: OECD.

Consumer price index



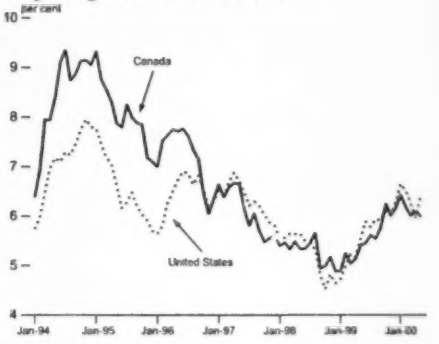
Source: Bank of Canada.

3-month Treasury bill rates



Sources: Bank of Canada and Federal Reserve.

10-year government bond rates



Sources: Bank of Canada and Federal Reserve.

Upcoming economic data releases of interest

August	September	October
July Labour Force Survey (August 4)	August Labour Force Survey (September 8)	September Labour Force Survey (October 6)
July CPI (August 17)	August CPI (September 14)	September CPI (October 20)
2000 Q2 National Accounts (August 31)		

Canada

Government of Canada Securities

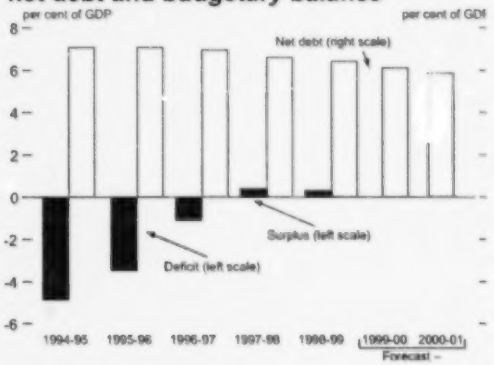
Canadian Economy

Selected Canadian economic statistics

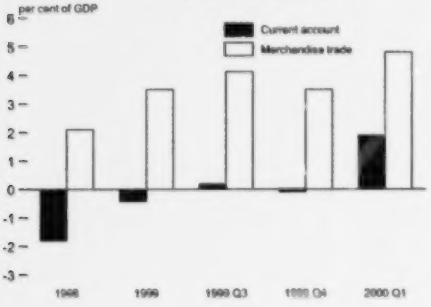
	1998	1999	1999 Q3	1999 Q4	2000 Q1
Annualized growth rates					
Real gross domestic product	3.3	4.5	6.5	5.1	4.9
GDP excluding inventories	3.9	4.7	6.6	3.0	6.2
Final domestic demand	2.8	4.4	4.3	6.3	4.4
Employment growth	2.7	2.8	2.2	3.5	3.8
Other					
Unemployment rate	8.3	7.6	7.6	7.0	6.8
Current account balance (per cent of GDP)	-1.8	-0.4	0.2	-0.1	1.9

Source: Statistics Canada.

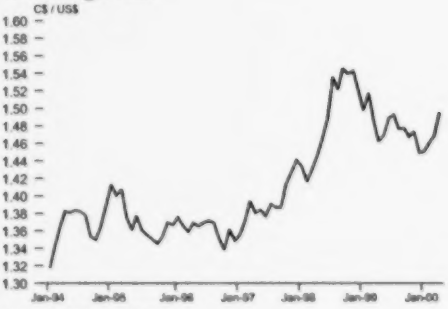
Government of Canada net debt and budgetary balance



Canada's current account balance and merchandise trade balance



Exchange rate



Source: *Bank of Canada Review*.

Monetary conditions index

Source: Bank of Canada.

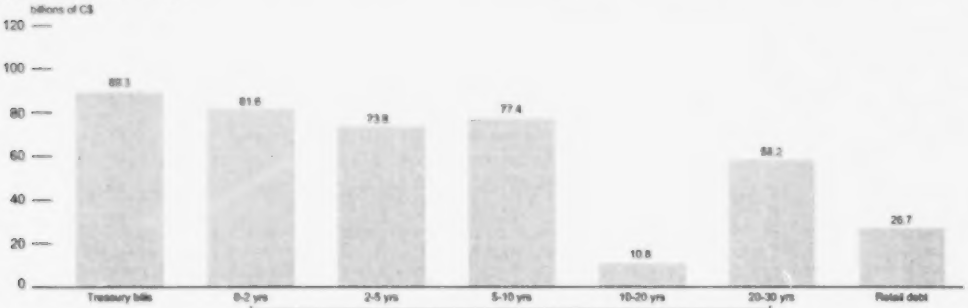
Canadian monetary aggregates

Source: *Bank of Canada Review*.

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt (as of June 21, 2000)



Source: Department of Finance

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
June 7, 2000	2	Dec. 1, 2002	6	3,600	99.857	6.065	2.5	0.8
May 31, 2000	30	Dec. 1, 2031	4***	350	103.842	3.79	3.3	n.a.
May 10, 2000	5	Sept. 1, 2005	6	2,800	98.33	6.374	2.5	0.5
April 26, 2000	10	June 1, 2011	6	2,600	98.987	6.128	2.7	1
April 19, 2000	30	June 1, 2029	5.75	1,900	99.923	5.755	2.4	4.4

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

** Tail is defined as the high accepted yield minus the average yield.

*** RRB

Source: Department of Finance.

Forthcoming Government of Canada bond auctions

Type of issue	Auction date (2000)	Further details of issue (2000)	Dated and delivered (2000)	Amount maturing*
				(millions of dollars)
10-year auction	July 26	July 20	Aug. 1	–
5-year auction	Aug. 9	Aug. 3	Aug. 15	–
RRB	Aug. 30	Aug. 24	Sept. 5	–
2-year auction	Sept. 13	Sept. 7	Sept. 15	–

*Maturity of $8,800 million on September 1, 2000.

Note: One repurchase operation of Government of Canada marketable bonds is planned under the bund repurchase program in the 10-year sector. Further details will be released on July 20, 2000.

Government of Canada Securities

Primary Market

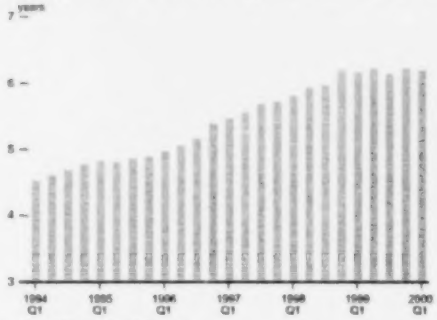
Government of Canada bond market benchmarks (June 21, 2000)

Term	Maturity	Coupon	Amount outstanding	Yield June 21, 2000
		(%)	(millions of dollars)	(%)
Fixed coupon				
2-year	June 1, 2002	5.75	7,200	6.04
5-year	Sept. 1, 2004	5.00	10,850	6.07
10-year	June 1, 2010	5.50	10,400	5.93
30-year	June 1, 2029	5.75	10,100	5.62
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.76

The normal bid-ask spread on these bonds is around 5 cents.

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: *Bank of Canada Review*

Forthcoming Government of Canada marketable bond maturities

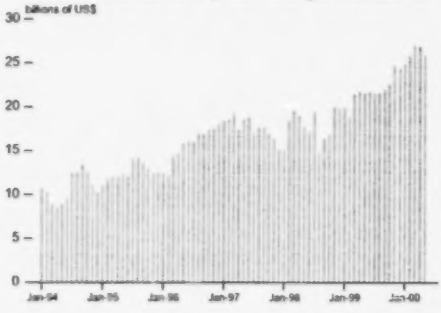
July-September 2000	October-December 2000	January-March 2001	April-June 2001
	(millions of dollars)		
11,875	7,500	13,000	11,875

Outstanding Government of Canada foreign-currency debt (as of May 2000)

	(US$ millions)
Canada Bills	4,197
Canada Notes	663
Outstanding under EMTN program	3,028
6¼% US$ bonds maturing May 30, 2001	1,000
6¼% US$ bonds maturing July 15, 2002	1,000
5¼% US$ bonds maturing February 19, 2003	2,000
6¼% US$ bonds maturing November 30, 2004	2,000
6¼% US$ bonds maturing July 21, 2005	1,500
6¼% US$ bonds maturing August 28, 2006	1,000
6¼% NZ$ bonds maturing October 3, 2007	319
4¼% DM bonds maturing July 7, 2008	2,219
5¼% US$ bonds maturing November 5, 2008	2,500

Source: Department of Finance.

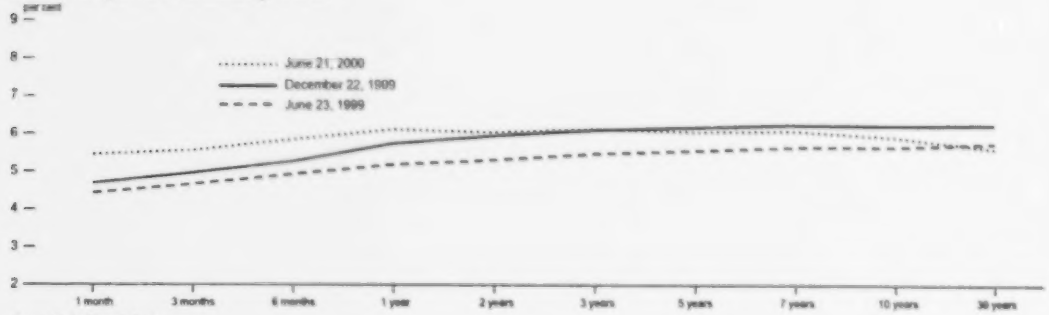
Canada's level of liquid foreign reserves



Source: *Bank of Canada Review*

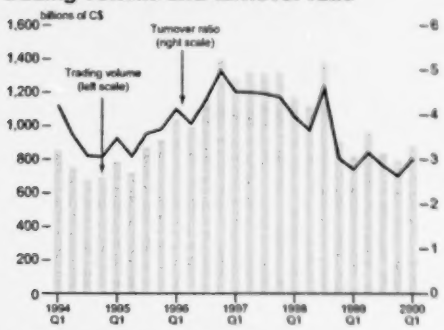
Secondary Market

Canadian yield-to-maturity curve



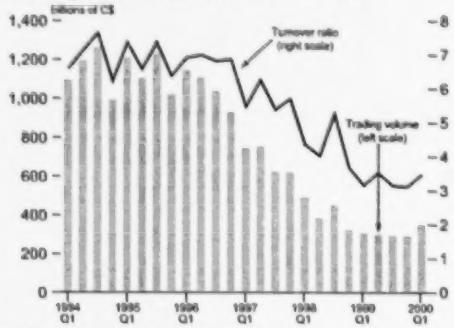
Source: *Bank of Canada Review*

Government of Canada bonds trading volume and turnover ratio



Trading volume is total trading volume in each quarter.
Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



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Government securities distributors

- Bank of Montreal (Treasury bills only)
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- BLC Securities Inc.
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- Scotia Capital Inc.
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- The Toronto-Dominion Bank

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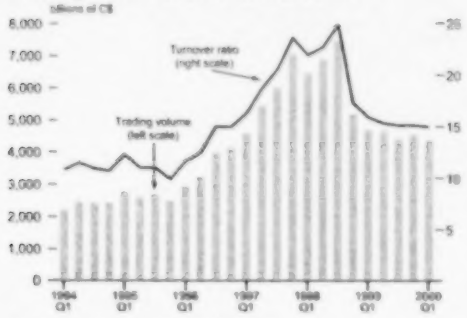
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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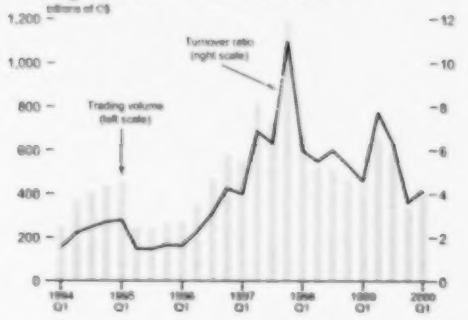
Government of Canada Treasury bill repos trading volume and turnover ratio



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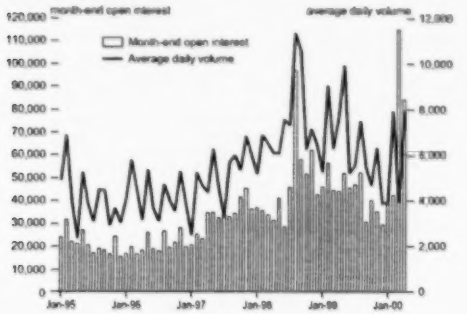
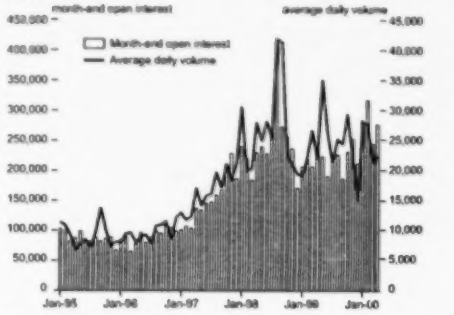
10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Canadian Bond Rating Service Current	Dominion Bond Rating Service Current
Domestic debt	**AAA**	**Aa1**	**AA+**	**AAA**
– Trend	Stable	Stable	Stable	Stable
Foreign debt	**AA+**	**Aa1**	**AA+**	**AA(high)**
– Trend	Stable	Stable	Stable	Stable

This publication is also available on the Internet at http://www.fin.gc.ca/.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of June 23, 2000.
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